New York Times

"Senate Approves Framework for Spending in Coming Year"

By ROBERT PEAR

WASHINGTON — The Senate on Wednesday gave final approval to a \$3 trillion budget blueprint that calls for more spending than President Bush requested for education, highway construction and other domestic programs.

The House is expected to approve the measure later this week. It will not be submitted to the president for his approval and will not become law, but creates a framework for action by Congress on spending and taxes in the coming year.

Senator <u>Barack Obama</u> of Illinois joined other Democrats in voting for the budget, which was approved 48 to 45. Senators from both parties embraced Mr. Obama and congratulated him when he showed up on the Senate floor, hours after clinching the Democratic presidential nomination.

His chief rival for the nomination, Senator <u>Hillary Rodham Clinton</u> of New York, was not present and did not vote, but she was in town for a speech to the <u>American Israel</u> Public Affairs Committee.

The budget was written almost exclusively by Democrats.

"We have passed a fiscally responsible budget, and that is a major accomplishment," said Senator Kent Conrad, Democrat of North Dakota and chairman of the Budget Committee. "It provides tax relief for the middle class. It invests in energy, education and infrastructure. It will expand health coverage for kids."

The Maine senators, <u>Susan Collins</u> and <u>Olympia J. Snowe</u>, were the only Republicans who voted for the budget. Senator <u>Evan Bayh</u> of Indiana was the only Democrat who voted against it. Mr. Bayh said the budget was fiscally irresponsible and would be "financed increasingly by borrowing from foreign governments."

Two Republican senators, <u>Pete V. Domenici</u> of New Mexico and <u>John W. Warner</u> of Virginia, opposed the budget and were on the Senate floor for the roll call, but refrained from voting out of deference to two Democrats who were absent because of illness: Senators <u>Robert C. Byrd</u> of West Virginia and <u>Edward M. Kennedy</u> of Massachusetts.

The Senate Democratic leader, <u>Harry Reid</u> of Nevada, praised them for their courtesy in agreeing to withhold their votes.

In his most recent budget, Mr. Bush requested \$991.6 billion for the wide range of military and domestic programs subject to annual appropriations. The budget blueprint provides about \$21 billion more than the president sought for those accounts.

Mr. Bush has threatened to veto appropriations bills that exceed his request, and Democrats in Congress may try to avoid an election-year fight with the White House by holding back major appropriations bills until his successor takes office.

The budget blueprint anticipates a deficit of \$340 billion in 2009, declining sharply in subsequent years, so the government would post surpluses of \$22 billion in 2012 and \$10 billion in 2013.

The measure leaves many of the tough decisions on taxes and spending for the next Congress and the next president.

<u>Jim Nussle</u>, the White House budget director, said the blueprint "would result in the largest tax increase in our nation's history," in part because some of Mr. Bush's tax cuts would be allowed to expire. At the same time, Mr. Nussle said, Democrats had done nothing to address the looming financial crisis in programs like <u>Medicare</u> and Social Security.

The budget blueprint allows for an extension of expiring tax provisions that benefit middle-income families.